

Item 3.3

Supporting Sydney's Nightlife

File No: S051491

Minute by the Lord Mayor

To Council:

At this meeting, Council will consider important reforms that support our night time economy and build on the strong legacy of work by the City and the recent vibrancy laws introduced by the NSW Government.

In 2007, our Late Night Trading Development Control Plan mapped the City's late night trading areas and established trading hours for venues according to the type of precinct and venue to encourage greater diversity. In doing so, it provided increased certainty and greater protection for residential amenity.

Also in 2007, I introduced the first Small Bars legislation in Parliament with the aim of providing more choice and reducing red tape. That Bill, and the successful "Raise the Bar" campaign, led to the Government introducing its own legislation. Over 100 small bars opened in the first year following the change in the law.

In 2008, Council established a Laneways Business Development Program to help activate the City's laneways by providing new laneway businesses with mentoring assistance and matched cash funding. It complemented a wider laneways revitalisation program which created inviting spaces with public art. Over the life of the program it helped several new laneway enterprises, including small bars.

On 25 February 2013, Council unanimously adopted OPEN Sydney: Strategy and Action Plan 2013–2030 (OPEN Sydney). Its premise was that Sydney deserved a nightlife which befitted Australia's only global city. Its vision was for a safe and inviting city with a diverse range of cultural and social experiences which catered to people of all ages and interests.

OPEN Sydney was informed by a cost benefit analysis of the night time economy carried out by the City in 2011. This approach was then adopted through the Council of Capital City Lord Mayors for all other capital cities.

Implementation of OPEN Sydney was severely disrupted. In early 2014 the NSW Government imposed lockouts and other restrictive measures on the Sydney CBD, Kings Cross and Oxford Street. When they were finally lifted in early 2020, which the City strongly supported, they were almost immediately followed by the Covid-19 pandemic and its Statewide lockdowns.

Notwithstanding, we continued to support Sydney's nightlife. In 2019, we updated our 2007 Late Night Trading Development Control Plan. It provided a "map of fun", expanding established late night trading areas to include Barangaroo, Darling Harbour and Green Square. A new 24-hour trading area was created in North Alexandria. Incentives for licensed venues to provide live music and entertainment were also introduced. Small bars were able to obtain approval to trade until 2am on village high streets.

Adoption of our Open and Creative City Reforms in 2021 have led to retail outlets and services such as hairdressers being able to trade until 10 pm without requiring additional DA approval. Light industrial creative workspaces may now be established in shops in local centres and village high streets. At tonight's meeting, Council is being asked to progress another element of these reforms, by agreeing to publicly exhibit the draft Development Control Plan (DCP) - Entertainment Sound Management.

When the pandemic decimated businesses and hospitality in 2020, the City provided \$149 million in grants to support businesses and community through the lockdowns and introduced free outdoor dining. Since November 2020 we have approved 848 applications for outdoor dining supporting 700 businesses to trade on footpaths and streets worth more than \$21.3 million in licence and planning fee waivers, parking revenue foregone, as well as the cost and hire for the City to provide barrier safety for the on-street locations.

We have also consistently advocated for action by the NSW Government to revitalise Sydney's nightlife. Our submission to the 2019 NSW Parliamentary inquiry into the nighttime economy advocated for liquor licensing reform measures and action to support for cultural activity and community safety. Our specific recommendations included exploring a Purple Flag accreditation scheme, establishment of a NSW Government night time economy office, the development of a NSW cultural policy and 24 hour heavy rail and light rail transport on Friday and Saturday nights. All but the last have been adopted.

Despite these reforms, high rents, and cost of living pressures and lack of public transport continue to make it difficult for our cultural, entertainment and hospitality sectors and for people visiting venues. The devastation caused by the lockout laws, combined with the impacts of Covid-19 and cost of living pressures continue to be a sledgehammer blow to Sydney's nightlife.

More needs to be done. Working with the NSW Government and other stakeholders, we will continue to explore different ways to invigorate our city.

Special Entertainment Precincts

In November 2023, the NSW Government introduced its first package of Vibrancy Reforms, with its second package passed by the NSW Parliament on 24 October 2024. This package built on amendments that John Graham MLC had successfully moved in 2020 to the then Government's Liquor (24 Hour Economy) Bill. Among these amendments were provisions to establish Special Entertainment Precincts.

The updated legislation enables councils to establish Special Entertainment Precincts (SEP) within their Local Environmental Plan. Each SEP is to have its own precinct management plan with sound levels and trading hours set by Council. All venues within a SEP will be eligible for an 80 per cent discount on liquor licence fees and have incentives to present live performances.

Since July 2024, Liquor and Gaming NSW have become the lead regulator of entertainment sound related complaints for licensed premises. A minimum of 5 complainants are required for them to take action, and complainants are obligated to seek to resolve their concerns with the venue first.

It is important that Liquor and Gaming NSW is properly resourced to investigate complaints and act when they are substantiated. Sharing information with the City is essential as we are likely to continue to receive complaints and need it to inform our assessment of applications to extend trading hours.

In June 2024, I met with the Minister for Music and the Night-Time Economy, John Graham, and told him we are committed to introducing SEPs in our late-night trading areas, like the City Centre, Oxford Street, King Street (Newtown) and Kings Cross. In July 2024, I wrote to him to provide an update on our work and that we are waiting for the NSW Government to release its guidelines.

The NSW Office of the 24-Hour Economy Commissioner exhibited draft Guidelines and Acoustic Toolkit for SEPs in September 2024 to help Councils establish SEPs, which the City responded to. The NSW Government is also developing further resources to assist councils including a handbook for best practice and templates for precinct management plans and DCP clauses.

This meeting of Council will consider exhibiting a draft discussion paper which outlines an approach for establishing SEPs within the City of Sydney. It invites public discussion on a proposal to overlay SEPS on our well-established and tested existing late-night trading areas.

This approach will ensure that residential amenity will continue to be protected while growing nightlife and vibrancy within SEPs and enabling venues to access the benefits and incentives available under NSW's liquor laws.

Other measures

While introducing Special Entertainment Precincts will assist with the vitality of Sydney's nightlife, this will not be enough. For our nightlife to thrive, businesses in SEPs will need to work together and be aligned in their vision for the precinct. We also need a diverse offering of nightlife and activity including free and affordable opportunities for people of all ages.

Metropolitan Sydney is now one of 90 global destinations that have introduced the Purple Flag accreditation scheme. Purple flag areas overseas have reported benefits which include a reduction in crime and anti-social behaviour, an improved public image, increased patronage and a more successful mix used economy in the longer term.

At present only four areas have Purple Flag accreditation, including one in the Sydney's CBD covering York, Clarence and Kent Streets (YCK Laneways Precinct). While it is up to local precincts to seek Purple Flag accreditation, we need to do more to encourage them. This would help ensure our late trading areas are safe, welcoming and inclusive. Ideally, all our Special Entertainment Precincts should be Purple Flag accredited.

While we want to encourage people to enjoy Sydney at night, we need to ensure that people can travel home safely. Safe, reliable public transport is essential. That is why we must continue to advocate for extended late night rail and light rail, including 24-hour rail and light rail on Friday and Saturday nights.

There will be many people involved in Sydney's nightlife that might have other ideas for revitalising it. I suggest that our Cultural and Creative Sector Advisory Panel be invited to suggest action that the City and the NSW Government can take.

The path to achieving a nightlife befitting Sydney' status as Australia's only global city is through stakeholders, the NSW Government and the City working together.

Recommendation

It is resolved that:

- (A) Council note:
 - (i) that the City of Sydney has long been a leader in taking action to ensure Sydney is a safe, inviting, inclusive city at night; and
 - (ii) the draft Entertainment Sound Management Development Control Plan (DCP) and Special Entertainment Precincts Discussion Paper prepared by the City will be placed on public exhibition, if endorsed by Council;
- (B) Council continue to work with the NSW Government to implement Special Entertainment Precincts and other measures to support Sydney's nightlife;
- (C) the Chief Executive Officer be requested to:
 - (i) seek feedback from the City's Cultural and Creative Sector Advisory Panel on the City's proposed approach to Special Entertainment Precincts as well as their ideas and advice about other initiatives and ways the City can support Sydney's nightlife;
 - (ii) undertake targeted consultation with industry, business and community on the draft Entertainment Sound Management Development Control Plan and Special Entertainment Precincts Discussion Paper;
 - (iii) provide a report on the outcomes of the OPEN Sydney Strategy and Action Plan 2013-2030 and next steps to incorporate the City's approach to a 24 hour economy and initiatives to support Sydney's nightlife;
 - (iv) investigate action the City can take to:
 - (a) encourage precincts to seek and achieve Purple Flag Accreditation; and
 - (b) proactively support businesses to take advantage of the opportunities and incentives of Special Entertainment Precincts and other programs and initiatives to support Sydney's nightlife;
 - (v) investigate other measures the City can take to support the activation of precincts including businesses, public spaces, vacant shops and commercial spaces; and
 - (vi) provide regular updates to Council on progress and outcomes of the above; and

- (D) the Lord Mayor be requested to:
- (i) host public meeting(s) during the public consultation of the draft Entertainment Sound Management Development Control Plan and Special Entertainment Precincts Discussion Paper with industry stakeholders, businesses and community;
 - (ii) write to the NSW Minister for Music and the Night-Time Economy and the NSW 24-Hour Economy Commissioner to:
 - (a) provide an update on the City's approach to Special Entertainment Precincts and our draft Entertainment Sound Management Development Control Plan; and
 - (b) ask the NSW Government to work with the City and other relevant stakeholders to implement Special Entertainment Precincts in the City of Sydney;
 - (iii) write to the NSW Minister for Gaming and Racing to request Liquor and Gaming NSW work with the City to ensure information-sharing on noise complaints and compliance action about venues in our area; and
 - (iv) write to the NSW Minister for Transport reconfirming the City's advocacy for increased late night public transport, including 24-hour rail and light rail transport on Friday and Saturday nights.

COUNCILLOR CLOVER MOORE AO

Lord Mayor